

1 AN ACT concerning taxes.

2 Be it enacted by the People of the State of Illinois,  
3 represented in the General Assembly:

4 Section 5. The Property Tax Code is amended by changing  
5 Section 15-172 as follows:

6 (35 ILCS 200/15-172)

7 Sec. 15-172. Senior Citizens Assessment Freeze Homestead  
8 Exemption.

9 (a) This Section may be cited as the Senior Citizens  
10 Assessment Freeze Homestead Exemption.

11 (b) As used in this Section:

12 "Applicant" means an individual who has filed an  
13 application under this Section.

14 "Base amount" means the base year equalized assessed  
15 value of the residence plus the first year's equalized  
16 assessed value of any added improvements which increased the  
17 assessed value of the residence after the base year.

18 "Base year" means the taxable year prior to the taxable  
19 year for which the applicant first qualifies and applies for  
20 the exemption provided that in the prior taxable year the  
21 property was improved with a permanent structure that was  
22 occupied as a residence by the applicant who was liable for  
23 paying real property taxes on the property and who was either  
24 (i) an owner of record of the property or had legal or  
25 equitable interest in the property as evidenced by a written  
26 instrument or (ii) had a legal or equitable interest as a  
27 lessee in the parcel of property that was single family  
28 residence. If in any subsequent taxable year for which the  
29 applicant applies and qualifies for the exemption the  
30 equalized assessed value of the residence is less than the  
31 equalized assessed value in the existing base year (provided

1 that such equalized assessed value is not based on an  
2 assessed value that results from a temporary irregularity in  
3 the property that reduces the assessed value for one or more  
4 taxable years), then that subsequent taxable year shall  
5 become the base year until a new base year is established  
6 under the terms of this paragraph. For taxable year 1999  
7 only, the Chief County Assessment Officer shall review (i)  
8 all taxable years for which the applicant applied and  
9 qualified for the exemption and (ii) the existing base year.  
10 The assessment officer shall select as the new base year the  
11 year with the lowest equalized assessed value. An equalized  
12 assessed value that is based on an assessed value that  
13 results from a temporary irregularity in the property that  
14 reduces the assessed value for one or more taxable years  
15 shall not be considered the lowest equalized assessed value.  
16 The selected year shall be the base year for taxable year  
17 1999 and thereafter until a new base year is established  
18 under the terms of this paragraph.

19 "Chief County Assessment Officer" means the County  
20 Assessor or Supervisor of Assessments of the county in which  
21 the property is located.

22 "Equalized assessed value" means the assessed value as  
23 equalized by the Illinois Department of Revenue.

24 "Household" means the applicant, the spouse of the  
25 applicant, and all persons using the residence of the  
26 applicant as their principal place of residence.

27 "Household income" means the combined income of the  
28 members of a household for the calendar year preceding the  
29 taxable year.

30 "Income" has the same meaning as provided in Section 3.07  
31 of the Senior Citizens and Disabled Persons Property Tax  
32 Relief and Pharmaceutical Assistance Act, except that,  
33 beginning in assessment year 2001, "income" does not include  
34 veteran's benefits.

1 "Internal Revenue Code of 1986" means the United States  
2 Internal Revenue Code of 1986 or any successor law or laws  
3 relating to federal income taxes in effect for the year  
4 preceding the taxable year.

5 "Life care facility that qualifies as a cooperative"  
6 means a facility as defined in Section 2 of the Life Care  
7 Facilities Act.

8 "Residence" means the principal dwelling place and  
9 appurtenant structures used for residential purposes in this  
10 State occupied on January 1 of the taxable year by a  
11 household and so much of the surrounding land, constituting  
12 the parcel upon which the dwelling place is situated, as is  
13 used for residential purposes. If the Chief County Assessment  
14 Officer has established a specific legal description for a  
15 portion of property constituting the residence, then that  
16 portion of property shall be deemed the residence for the  
17 purposes of this Section.

18 "Taxable year" means the calendar year during which ad  
19 valorem property taxes payable in the next succeeding year  
20 are levied.

21 (c) Beginning in taxable year 1994, a senior citizens  
22 assessment freeze homestead exemption is granted for real  
23 property that is improved with a permanent structure that is  
24 occupied as a residence by an applicant who (i) is 65 years  
25 of age or older during the taxable year, (ii) has a household  
26 income of \$35,000 or less prior to taxable year 1999, ~~or~~  
27 \$40,000 or less in taxable years year 1999 through 2001, and  
28 \$50,000 or less in taxable year 2002 and thereafter, subject  
29 to adjustment, (iii) is liable for paying real property taxes  
30 on the property, and (iv) is an owner of record of the  
31 property or has a legal or equitable interest in the property  
32 as evidenced by a written instrument. This homestead  
33 exemption shall also apply to a leasehold interest in a  
34 parcel of property improved with a permanent structure that

1 is a single family residence that is occupied as a residence  
2 by a person who (i) is 65 years of age or older during the  
3 taxable year, (ii) has a household income of \$35,000 or less  
4 prior to taxable year 1999, ~~or~~ \$40,000 or less in taxable  
5 years year 1999 through 2001, and \$50,000 or less in taxable  
6 year 2002 and thereafter, subject to adjustment, (iii) has a  
7 legal or equitable ownership interest in the property as  
8 lessee, and (iv) is liable for the payment of real property  
9 taxes on that property. Beginning in taxable year 2003, the  
10 amount of the household income of the applicant shall be  
11 subject to annual adjustments equal to the percentage of  
12 increase in the previous calendar year in the Consumer Price  
13 Index for All Urban Consumers for all items published by the  
14 federal Department of Labor or its successor agency. If this  
15 index ceases to be published, the Department of Revenue shall  
16 use a comparable substitute index.

17 The amount of this exemption shall be the equalized  
18 assessed value of the residence in the taxable year for which  
19 application is made minus the base amount.

20 When the applicant is a surviving spouse of an applicant  
21 for a prior year for the same residence for which an  
22 exemption under this Section has been granted, the base year  
23 and base amount for that residence are the same as for the  
24 applicant for the prior year.

25 Each year at the time the assessment books are certified  
26 to the County Clerk, the Board of Review or Board of Appeals  
27 shall give to the County Clerk a list of the assessed values  
28 of improvements on each parcel qualifying for this exemption  
29 that were added after the base year for this parcel and that  
30 increased the assessed value of the property.

31 In the case of land improved with an apartment building  
32 owned and operated as a cooperative or a building that is a  
33 life care facility that qualifies as a cooperative, the  
34 maximum reduction from the equalized assessed value of the

1 property is limited to the sum of the reductions calculated  
2 for each unit occupied as a residence by a person or persons  
3 (i) 65 years of age or older (ii) with a household income of  
4 \$35,000 or less prior to taxable year 1999, or \$40,000 or  
5 less in taxable years year 1999 through 2001, and \$50,000 or  
6 less in taxable year 2002 and thereafter, subject to  
7 adjustment, (iii) who is liable, by contract with the owner  
8 or owners of record, for paying real property taxes on the  
9 property, and (iv) who is an owner of record of a legal or  
10 equitable interest in the cooperative apartment building,  
11 other than a leasehold interest. Beginning in taxable year  
12 2003, the amount of the household income of the applicant  
13 shall be subject to annual adjustments equal to the  
14 percentage of increase in the previous calendar year in the  
15 Consumer Price Index for All Urban Consumers for all items  
16 published by the federal Department of Labor or its successor  
17 agency. If this index ceases to be published, the Department  
18 of Revenue shall use a comparable substitute index. In the  
19 instance of a cooperative where a homestead exemption has  
20 been granted under this Section, the cooperative association  
21 or its management firm shall credit the savings resulting  
22 from that exemption only to the apportioned tax liability of  
23 the owner who qualified for the exemption. Any person who  
24 willfully refuses to credit that savings to an owner who  
25 qualifies for the exemption is guilty of a Class B  
26 misdemeanor.

27 When a homestead exemption has been granted under this  
28 Section and an applicant then becomes a resident of a  
29 facility licensed under the Nursing Home Care Act, the  
30 exemption shall be granted in subsequent years so long as the  
31 residence (i) continues to be occupied by the qualified  
32 applicant's spouse or (ii) if remaining unoccupied, is still  
33 owned by the qualified applicant for the homestead exemption.

34 Beginning January 1, 1997, when an individual dies who

1 would have qualified for an exemption under this Section, and  
2 the surviving spouse does not independently qualify for this  
3 exemption because of age, the exemption under this Section  
4 shall be granted to the surviving spouse for the taxable year  
5 preceding and the taxable year of the death, provided that,  
6 except for age, the surviving spouse meets all other  
7 qualifications for the granting of this exemption for those  
8 years.

9 When married persons maintain separate residences, the  
10 exemption provided for in this Section may be claimed by only  
11 one of such persons and for only one residence.

12 For taxable year 1994 only, in counties having less than  
13 3,000,000 inhabitants, to receive the exemption, a person  
14 shall submit an application by February 15, 1995 to the Chief  
15 County Assessment Officer of the county in which the property  
16 is located. In counties having 3,000,000 or more  
17 inhabitants, for taxable year 1994 and all subsequent taxable  
18 years, to receive the exemption, a person may submit an  
19 application to the Chief County Assessment Officer of the  
20 county in which the property is located during such period as  
21 may be specified by the Chief County Assessment Officer. The  
22 Chief County Assessment Officer in counties of 3,000,000 or  
23 more inhabitants shall annually give notice of the  
24 application period by mail or by publication. In counties  
25 having less than 3,000,000 inhabitants, beginning with  
26 taxable year 1995 and thereafter, to receive the exemption, a  
27 person shall submit an application by July 1 of each taxable  
28 year to the Chief County Assessment Officer of the county in  
29 which the property is located. A county may, by ordinance,  
30 establish a date for submission of applications that is  
31 different than July 1. The applicant shall submit with the  
32 application an affidavit of the applicant's total household  
33 income, age, marital status (and if married the name and  
34 address of the applicant's spouse, if known), and principal

1 dwelling place of members of the household on January 1 of  
2 the taxable year. The Department shall establish, by rule, a  
3 method for verifying the accuracy of affidavits filed by  
4 applicants under this Section. The applications shall be  
5 clearly marked as applications for the Senior Citizens  
6 Assessment Freeze Homestead Exemption.

7 Notwithstanding any other provision to the contrary, in  
8 counties having fewer than 3,000,000 inhabitants, if an  
9 applicant fails to file the application required by this  
10 Section in a timely manner and this failure to file is due to  
11 a mental or physical condition sufficiently severe so as to  
12 render the applicant incapable of filing the application in a  
13 timely manner, the Chief County Assessment Officer may extend  
14 the filing deadline for a period of 30 days after the  
15 applicant regains the capability to file the application, but  
16 in no case may the filing deadline be extended beyond 3  
17 months of the original filing deadline. In order to receive  
18 the extension provided in this paragraph, the applicant shall  
19 provide the Chief County Assessment Officer with a signed  
20 statement from the applicant's physician stating the nature  
21 and extent of the condition, that, in the physician's  
22 opinion, the condition was so severe that it rendered the  
23 applicant incapable of filing the application in a timely  
24 manner, and the date on which the applicant regained the  
25 capability to file the application.

26 Beginning January 1, 1998, notwithstanding any other  
27 provision to the contrary, in counties having fewer than  
28 3,000,000 inhabitants, if an applicant fails to file the  
29 application required by this Section in a timely manner and  
30 this failure to file is due to a mental or physical condition  
31 sufficiently severe so as to render the applicant incapable  
32 of filing the application in a timely manner, the Chief  
33 County Assessment Officer may extend the filing deadline for  
34 a period of 3 months. In order to receive the extension

1 provided in this paragraph, the applicant shall provide the  
2 Chief County Assessment Officer with a signed statement from  
3 the applicant's physician stating the nature and extent of  
4 the condition, and that, in the physician's opinion, the  
5 condition was so severe that it rendered the applicant  
6 incapable of filing the application in a timely manner.

7 In counties having less than 3,000,000 inhabitants, if an  
8 applicant was denied an exemption in taxable year 1994 and  
9 the denial occurred due to an error on the part of an  
10 assessment official, or his or her agent or employee, then  
11 beginning in taxable year 1997 the applicant's base year, for  
12 purposes of determining the amount of the exemption, shall be  
13 1993 rather than 1994. In addition, in taxable year 1997, the  
14 applicant's exemption shall also include an amount equal to  
15 (i) the amount of any exemption denied to the applicant in  
16 taxable year 1995 as a result of using 1994, rather than  
17 1993, as the base year, (ii) the amount of any exemption  
18 denied to the applicant in taxable year 1996 as a result of  
19 using 1994, rather than 1993, as the base year, and (iii) the  
20 amount of the exemption erroneously denied for taxable year  
21 1994.

22 For purposes of this Section, a person who will be 65  
23 years of age during the current taxable year shall be  
24 eligible to apply for the homestead exemption during that  
25 taxable year. Application shall be made during the  
26 application period in effect for the county of his or her  
27 residence.

28 The Chief County Assessment Officer may determine the  
29 eligibility of a life care facility that qualifies as a  
30 cooperative to receive the benefits provided by this Section  
31 by use of an affidavit, application, visual inspection,  
32 questionnaire, or other reasonable method in order to insure  
33 that the tax savings resulting from the exemption are  
34 credited by the management firm to the apportioned tax

1 liability of each qualifying resident. The Chief County  
2 Assessment Officer may request reasonable proof that the  
3 management firm has so credited that exemption.

4 Except as provided in this Section, all information  
5 received by the chief county assessment officer or the  
6 Department from applications filed under this Section, or  
7 from any investigation conducted under the provisions of this  
8 Section, shall be confidential, except for official purposes  
9 or pursuant to official procedures for collection of any  
10 State or local tax or enforcement of any civil or criminal  
11 penalty or sanction imposed by this Act or by any statute or  
12 ordinance imposing a State or local tax. Any person who  
13 divulges any such information in any manner, except in  
14 accordance with a proper judicial order, is guilty of a Class  
15 A misdemeanor.

16 Nothing contained in this Section shall prevent the  
17 Director or chief county assessment officer from publishing  
18 or making available reasonable statistics concerning the  
19 operation of the exemption contained in this Section in which  
20 the contents of claims are grouped into aggregates in such a  
21 way that information contained in any individual claim shall  
22 not be disclosed.

23 (d) Each Chief County Assessment Officer shall annually  
24 publish a notice of availability of the exemption provided  
25 under this Section. The notice shall be published at least  
26 60 days but no more than 75 days prior to the date on which  
27 the application must be submitted to the Chief County  
28 Assessment Officer of the county in which the property is  
29 located. The notice shall appear in a newspaper of general  
30 circulation in the county.

31 (e) Notwithstanding Sections 6 and 8 of the State  
32 Mandates Act, no reimbursement by the State is required for  
33 the implementation of any mandate created by this Section.

34 (Source: P.A. 90-14, eff. 7-1-97; 90-204, eff. 7-25-97;

1 90-523, eff. 11-13-97; 90-524, eff. 1-1-98; 90-531, eff.  
2 1-1-98; 90-655, eff. 7-30-98; 91-45, eff. 6-30-99; 91-56,  
3 eff. 6-30-99; 91-819, eff. 6-13-00.)

4 Section 90. The State Mandates Act is amended by adding  
5 Section 8.26 as follows:

6 (30 ILCS 805/8.26 new)

7 Sec. 8.26. Exempt mandate. Notwithstanding Sections 6  
8 and 8 of this Act, no reimbursement by the State is required  
9 for the implementation of any mandate created by the Senior  
10 Citizens Assessment Freeze Homestead Exemption under Section  
11 15-172 of the Property Tax Code.

12 Section 99. Effective date. This Act takes effect upon  
13 becoming law.